# Mercedes-Benz Finance Canada Inc.

Interim Report as of and for the six months ended June 30, 2026

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# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements of Mercedes-Benz Finance Canada Inc. provide a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the Company's Management Report provides a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Farmington Hills, MI (USA), August 26, 2026

| | |
|---|---|
| *Ramasami Muthaiyah* | *Christoph Rieker* |
| *President & Chief Executive Officer* | *Chief Financial Officer* |

# Interim Management Report

**General**

Mercedes-Benz Finance Canada Inc. ("MBFCI" or the "Company") is a wholly-owned subsidiary of Mercedes-Benz Group AG ("MBGAG" or "Mercedes-Benz Group"). MBFCI accesses Canadian and foreign capital markets to raise funds, which it lends to other MBGAG subsidiaries in Canada through a consolidated funding and cash management system. As such, it has relationships with other subsidiaries of MBGAG. MBGAG has issued full and unconditional guarantees for MBFCI's obligations incurred under its outstanding notes and bonds and commercial paper programs.

The nature of the Mercedes-Benz Group operations in Canada include the distribution of passenger cars purchased from Mercedes-Benz AG under the brand name Mercedes-Benz. Mercedes-Benz Group also has financial services operations that principally provide automotive financing to its dealers and their customers, including retail and lease financing for cars, dealer inventory and other financing needs.

This annual report contains forward looking statements that reflect our current views about future events. Words such as "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "can", "could", "plan," "project," "should" and similar expressions are being used to identify forward looking statements. These statements are subject to many risks and uncertainties, including:

- an adverse development of global economic conditions, in particular a decline of demand and investment activity in Canada.
- a deterioration of our funding possibilities on the credit and financial markets, which could result in an increase in borrowing costs or limit our funding flexibility.
- changes in currency exchange rates and interest rates.
- changes in laws, regulations and government policies that may affect the Company or any of its sister companies.
- the business outlook of the Company's sister companies in Canada, which may affect the funding requirements of such sister companies in the automotive and financial services businesses.

The following discussion should be read in conjunction with the Company's financial statements as of and for the six months ended June 30, 2025 and December 31, 2025, which were prepared using IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

**Earnings**

*Interest income*

Interest Income was $104,292 for the six months ended June 30, 2026 compared to $108,189 for the six months ended June 30, 2025. The 3.6% decrease is mainly caused by lower average receivables from related parties balances.

*Interest expense*

Interest expense was $100,333 for the six months ended June 30, 2026 compared to $93,502 for the six months ended June 30, 2025. The 7.3% increase is caused by additional interest expense on new financing liabilities for notes and bonds, offset by lower interest expense for commercial paper.

*Administrative and other expense*

Administrative and other expense increased to $1,725 for the six months ended June 30, 2026 from $1,639 for the six months ended June 30, 2025 primarily due to a increase in legal fees and higher cross-charges from Mercedes-Benz North America Corporation ("MBNAC").

*Other financial income and (expense), net*

Other financial income, net was $250 for the six months ended June 30, 2026 and June 30, 2025.

*Profit before income taxes*

Profit before income taxes decreased to $2,484 for the six months ended June 30, 2026 from $13,298 for the six months ended June 30, 2025. The change in income before taxes is primarily driven by the lower interest result.

*Income tax expense*

The Company recorded an income tax expense of $638 for the six months ended June 30, 2026 compared with $3,650 for the six months ended June 30, 2025. The change in tax expense from June 30, 2026 to June 30, 2025 is corresponding to the change in earnings respectively.

**Financial position**

Total assets were $5,706,342 at June 30, 2026 compared to $5,109,313 at December 31, 2025, an increase of 11.7%. This change is mainly due to an increase in cash and cash equivalents. Total liabilities also increased to $5,413,463 at June 30, 2026 from $4,815,192 at December 31, 2025, an increase of 12.4%. This change is primarily due to lower payables to related parties. Total equity decreased to $292,879 at June 30, 2026 from $294,121 at December 31, 2025 mainly due to net income of $1,846 and other comprehensive income of $(3,089) primarily attributable to the change in fair value related to cash flow hedges.

**Liquidity and capital resources**

In the ordinary course of business, the Company issues notes and bonds and commercial paper in Canada and Europe. The Company also enters, as necessary, into intercompany loans with other MBGAG subsidiaries to optimize funding from a global Mercedes-Benz perspective.

The funds raised in 2026 and prior years were used to support the lease and sales financing business and the capital expenditure requirements of the industrial business of the Mercedes-Benz subsidiaries in Canada. Lease and sales financing activities are typically financed with a high proportion of debt.

(all amounts in thousands of Canadian dollars)

Cash flows were the following for the six months ended June 30, 2026 and June 30, 2025:

| | Six months ended June 30, | |
|---|---|---|
| | 2026 | 2025 |
| Net cash provided by/(used for) operating activities | (541,510) | (184,999) |
| Net cash provided by/(used for) investing activities | - | - |
| Net cash provided by/(used for) financing activities | 905,982 | (73,703) |

Net cash outflows from operating activities were $(541,510) for the six months ended June 30, 2026 compared to net cash outflows of $(184,999) for the six months ended June 30, 2025 mainly due to a net increase in receivables and payables from/to related parties.

Net cash inflows from financing activities were $905,982 for the six months ended June 30, 2026 compared to net cash outflows of $(73,703) for the six months ended June 30, 2025, mainly due to issuances of notes and bonds payable in 2026.

## Risk report

Various factors could directly and indirectly, through the close affiliation with MBFCI's sister companies, affect the Company's business, financial condition, cash flows and results of operations. The principal risks are described in MBFCI's Annual Report 2025.

The Canadian economy contracted in the first quarter of 2026 for the second consecutive quarter, reflecting trade-related uncertainty and weaker domestic demand. Inflation remained above the Bank of Canada's 2% target, while trade developments with the United States, energy market volatility and ongoing geopolitical tensions continued to contribute to economic uncertainty.

The automotive industry continues to face challenges related to vehicle affordability, competitive market conditions and the transition to Battery Electric Vehicles. Additionally, trade-related uncertainty, inflationary pressures and broader economic conditions could adversely affect vehicle demand and industry performance.

These dynamics could have significant adverse effects on the Mercedes-Benz business in Canada and, as a result, on the future financial position of the Company.

## Outlook

Management still expects the Company’s operational results to be stable in 2026. This expectation is based on a continuation of the Company’s business model.

(all amounts in thousands of Canadian dollars)

# Statement of Comprehensive Income (Unaudited)

| | | Six months ended June 30, | |
|---|---|---|---|
| | Note | 2026 | 2025 |
| **Interest income** | | | |
| Interest income - related parties | | 97,843 | 99,856 |
| Interest income - third parties | | 6,449 | 8,333 |
| **Total interest income** | | **104,292** | **108,189** |
| | | | |
| **Interest expense** | | | |
| Interest expense - third parties | | (93,028) | (87,341) |
| Interest expense - related parties | | (7,305) | (6,161) |
| **Total interest expense** | | **(100,333)** | **(93,502)** |
| | | | |
| **Net interest income** | | **3,959** | **14,687** |
| | | | |
| Administrative expense and other | 12 | (1,725) | (1,639) |
| Other financial income and (expense), net | 5 | 250 | 250 |
| **Profit before income taxes** | | **2,484** | **13,298** |
| | | | |
| Income tax benefit (expense) | | (638) | (3,650) |
| **Net profit** | | **1,846** | **9,648** |
| | | | |
| **Other comprehensive income** | | | |
| **Items that are or may be reclassified to profit/(loss)** | | | |
| Cash flow hedge reserve – effective portion of changes in fair value[1] | | (854) | 5,357 |
| Cash flow hedge reserve – reclassification to profit or loss[1] | | 172 | 406 |
| Cost of hedging reserve – changes in fair value[1] | | (2,407) | 1,857 |
| Cost of hedging reserve – reclassification to profit or loss[1] | | 0 | 19 |
| **Other comprehensive income/(loss), net of taxes** | | **(3,089)** | **7,639** |
| **Total comprehensive income (loss)** | | **(1,243)** | **17,287** |

[1] Net of taxes

The accompanying notes on pages 11 to 18 are an integral part of the financial statements.

(all amounts in thousands of Canadian dollars)

# Statement of Financial Position (Unaudited)

| | Note | June 30, 2026 | December 31, 2025 |
|---|---|---|---|
| **Assets** | | | |
| Loans and receivables from related parties | | 3,150,000 | 2,630,000 |
| Other financial assets | | 26,877 | 163,178 |
| Tax receivables | | - | - |
| Deferred tax assets | | 1,113 | - |
| **Total non-current assets** | | **3,177,990** | **2,793,178** |
| Marketable debt securities | | - | - |
| Loans and receivables from related parties | | 1,767,659 | 2,117,620 |
| Cash and cash equivalents | | 562,790 | 198,318 |
| Other financial assets | | 195,988 | - |
| Other assets | | - | 197 |
| Tax receivables | | 1,915 | - |
| **Total current assets** | | **2,528,352** | **2,316,135** |
| **Total assets** | | **5,706,342** | **5,109,313** |
| **Equity and liabilities** | | | |
| Share capital | | - | - |
| Capital reserves | | 244,137 | 244,137 |
| Accumulated earnings/(deficit) | | 57,544 | 55,698 |
| Cash flow hedge reserve | | (8,623) | (7,943) |
| Cost of hedging reserve | | (179) | 2,229 |
| **Total equity** | | **292,879** | **294,121** |
| Payables to related parties | | - | - |
| Notes and bonds payable | | 3,009,111 | 3,143,890 |
| Other financial liabilities | | 1,649 | 1,396 |
| Deferred tax liabilities | | - | - |
| **Total non-current liabilities** | | **3,010,760** | **3,145,286** |
| Provisions and other liabilities | | 48 | 97 |
| Provisions for income taxes | | - | - |
| Payables to related parties | | 408,679 | 769,823 |
| Notes and bonds payable | | 1,993,976 | 895,470 |
| Commercial paper | | - | - |
| Liabilities to banks | | - | - |
| Other financial liabilities | | - | 4,019 |
| Tax Liabilities | | - | 497 |
| **Total current liabilities** | | **2,402,703** | **1,669,906** |
| **Total liabilities** | | **5,413,463** | **4,815,192** |
| **Total equity and liabilities** | | **5,706,342** | **5,109,313** |

The accompanying notes on pages 11 to 18 are an integral part of the financial statements.

(all amounts in thousands of Canadian dollars)

# Statement of Changes in Equity (Unaudited)

| | Share capital | Capital reserves | Accumulated Surplus | Cash flow hedge | Cost of Hedging | Total equity |
|---|---|---|---|---|---|---|
| **Balance at January 1, 2025** | **-** | **394,137** | **41,704** | **(16,821)** | **2,153** | **421,173** |
| Net profit | - | - | 9,648 | - | - | 9,648 |
| Other comprehensive income/(loss) before taxes | - | - | - | 7,841 | 2,552 | 10,393 |
| Deferred taxes on other comprehensive income/(loss) | - | - | - | (2,078) | (676) | (2,754) |
| **Total comprehensive income/(loss)** | **-** | **-** | **9,648** | **5,763** | **1,876** | **17,287** |
| **Balance at June 30, 2025** | **-** | **394,137** | **51,352** | **(11,058)** | **4,029** | **438,460** |
| | | | | | | |
| **Balance at January 1, 2026** | - | 244,137 | 55,698 | (7,943) | 2,229 | 294,121 |
| Net profit | - | - | 1,846 | - | - | 1,846 |
| Other comprehensive income/(loss) before taxes | - | - | - | (925) | (3,276) | (4,201) |
| Deferred taxes on other comprehensive income/(loss) | - | - | - | 245 | 868 | 1,113 |
| **Total comprehensive income (loss)** | - | - | 1,846 | (680) | (2,408) | (1,242) |
| **Balance at June 30, 2026** | - | 244,137 | 57,544 | (8,623) | (179) | 292,879 |

The accompanying notes on pages 11 to 18 are an integral part of the financial statements.

(all amounts in thousands of Canadian dollars)

# Statement of Cash Flows (Unaudited)

| | | Six months ended June 30, | |
|---|---|---|---|
| | **Note** | **2026** | **2025** |
| Net profit | | 1,846 | 9,648 |
| Adjustments for | | | |
| Change in deferred taxes | | - | 894 |
| Foreign exchange (gains)/losses | | (243) | (279) |
| Non-cash interest (income)/expense | | 2,556 | 2,943 |
| Changes in | | | |
| Tax receivables | | (1,915) | 1,398 |
| Other assets, tax liabilities, provisions and accrued interest | | (12,571) | (22,843) |
| Receivables from and payables to related parties | 6, 8 | (531,183) | (176,760) |
| **Cash provided by/(used for) operating activities** | | **(541,510)** | **(184,999)** |
| **Cash provided by/(used for) investing activities** | | **-** | **-** |
| Issuances of notes and bonds payable[1] | 9 | 1,404,677 | - |
| Issuances of commercial paper[2] | 10 | - | - |
| Repayment of notes and bonds payable[1] | 9 | (498,695) | (73,703) |
| Repayment of commercial paper | 10 | - | - |
| **Cash provided by/(used for) financing activities** | | **905,982** | **(73,703)** |
| **Net increase/(decrease) in cash and cash equivalents** | | **364,472** | **(258,702)** |
| **Cash and cash equivalents at the beginning of the period** | | **198,318** | **636,052** |
| **Cash and cash equivalents at the end of the period** | | **562,790** | **377,350** |

[1] Cash provided by/ (used for) financing activities includes cash flows from hedging the currency risks of financial liabilities.
[2] Cash flows from commercial paper with initial time to maturity less than 3 months are netted.

The accompanying notes on pages 11 to 18 are an integral part of the financial statements.

# Notes to the Financial Statements

## 1. Reporting entity

Mercedes-Benz Finance Canada Inc. ("MBFCI" or the "Company") is a stock corporation organized under the laws of Quebec, Canada. The Company is a wholly-owned subsidiary of Mercedes-Benz Group AG ("MBGAG"). Its registered office is located at 1 Place Ville Marie – 37th Floor, H3B 3P4, Montreal, Quebec, Canada.

MBFCI accesses Canadian and foreign capital markets to raise funds, which it lends to MBGAG subsidiaries in Canada through a consolidated funding and cash management system. In the event of non-payment by MBFCI, MBGAG irrevocably and unconditionally guarantees the debt holders the payment of the amounts corresponding to the principal of and interest on the respective notes and bonds and commercial paper as they become due. MBFCI has one reportable segment. The Statement of Comprehensive Income and Statement of Financial Position is provided to MBFCI's Chief Executive Officer on a monthly basis.

The Company's ultimate parent MBGAG produces financial statements that are available for public use.

## 2. Basis of accounting

These unaudited interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

These interim financial statements are presented in Canadian dollars ("$"), which is the Company's functional currency. Unless otherwise stated all amounts are presented in thousands of Canadian dollars.

In the opinion of the management, the interim financial statements reflect all adjustments (i.e. normal recurring adjustments) necessary for a fair presentation of the results of operations and the financial position of MBFCI. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for any future period or the full fiscal year. The interim financial statements should be read in conjunction with the December 31, 2025 audited IFRS financial statements and notes which were submitted to the Luxembourg Stock Exchange on April 28, 2026. The accounting policies applied by MBFCI in these interim financial statements are the same as those applied in the audited IFRS financial statements as of and for the year ended December 31, 2025.

Preparation of interim financial statements in conformity with IFRS requires management to make estimates, assessments and assumptions which can affect the amounts and reporting of assets and liabilities, the reporting of contingent assets and liabilities on the balance sheet date and the amounts of income and expense reported for the period. Actual amounts could differ from those estimates. Changes in estimates, assessments and assumptions can have a material impact on the financial statements.

## 3. Accounting management judgments and estimates

The preparation of financial statements requires management to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Management's most important estimates relate to the fair values of the Company's notes and bonds payable and receivables from related parties.

Estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are applied prospectively.

**Management Judgements**

*Recoverability of receivables from related parties*

At each reporting date, the carrying amounts of receivables from related parties are evaluated to determine whether there is objective significant increase in credit risk since initial recognition. Through June 30, 2026, the credit risk on receivables from related parties has not increased significantly since initial recognition. Therefore, the loss allowance for receivables from related parties are measured at an amount equal to 12-month expected credit losses. Receivables from related parties are considered to have a low risk of default. Management considers the 12-month expected credit losses for receivables from related parties as immaterial.

**Estimates**

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized and disclosed in the financial statements relate to the fair value measurements for the Company's financial instruments.

*Fair value of financial instruments*

The Company measures fair values of its financial instruments using the following hierarchy of methods:

- Quoted market prices in an active market for an identical instrument.
- Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices. For all other financial instruments, the Company determines fair values using valuation techniques. In particular, the Company uses widely recognized valuation models for determining the fair value of common and non-complex financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment. Observable prices and model inputs are usually available in the market for listed debt securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

(all amounts in thousands of Canadian dollars)

## 4. Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

The accounting policies applied in these interim financial statements are the same as those applied in the last annual financial statements.

## 5. Other financial income and (expense), net

Other financial income, net is comprised of the following:

| | June 30, 2026 | June 30, 2025 |
|---|---|---|
| Result of foreign exchange transactions gains/(losses) | 271 | 270 |
| Bank fees | (21) | (20) |
| **Total** | **250** | **250** |

## 6. Receivables from related parties

MBFCI provides financing to certain MBGAG affiliates mainly in Canada, which are related parties for MBFCI. MBFCI is also responsible for administering a cash management system to manage the financial resources of MBGAG affiliated companies in Canada. The following sets forth receivables from these related parties for such financing, including accrued interest:

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Mercedes-Benz Financial Services Canada Corp | 4,911,022 | 4,746,146 |
| Mercedes-Benz Group AG | 6,637 | 1,474 |
| Total | **4,917,659** | **4,747,620** |

## 7. Equity

### (a) Share capital

At June 30, 2026 and December 31, 2025, the authorized share capital comprised 1,000 no par value shares, of which 100 shares were issued and outstanding. All issued shares were fully paid.

### (b) Reserves

**Capital reserves**

Capital reserves primarily comprise premiums arising on the issue of shares.

(all amounts in thousands of Canadian dollars)

**Cash flow hedge reserve**

The Cash flow hedge reserve comprise accumulated unrealized gains/losses on the measurement of derivative financial instruments designated in a cash flow hedge.

**Cost of hedging reserve**

The cost of hedging reserve reflects gains or losses on the portion excluded from the designated hedging instrument that relates to the currency basis spread of cross-currency interest rate swaps. It is initially recognized in other comprehensive income and accounted for in profit or loss, pro rata in the caption interest expense – third parties.

## 8. Payables to related parties

The following table sets forth amounts payable to related parties:

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Mercedes-Benz Canada Inc. | 345,961 | 351,098 |
| MBarc Credit Canada Inc. | 59,257 | 338,145 |
| Mercedes-Benz Group AG | 2,631 | 75,731 |
| Mercedes-Benz North America Corporation | 830 | 4,849 |
| **Total** | **408,679** | **769,823** |

## 9. Notes and bonds payable

MBFCI's obligations under the notes and bonds program are fully and unconditionally guaranteed by its ultimate parent company, MBGAG.

During the first six months of 2026, notes and bonds payable in the amount of $500,000 matured, compared to $73,517 matured in the first six months of 2025. There were $1,407,275 of notes and bonds issued in the first six months of 2026 compared to no issuances of notes and bonds in the first six months of 2025.

Terms and conditions of new notes payable issued during the first six months of 2026 are as follows:

| | Currency | Nominal interest rate | Year of maturity | Face value | Carrying amount |
|---|---|---|---|---|---|
| **Medium Term Notes** | | | | | |
| Medium Term Note | EUR | 3M EURIBOR+.26% | 2028 | 811,000 | 815,264 |
| Medium Term Note | CAD | 3.57% | 2029 | 400,000 | 398,549 |
| Medium Term Note | CAD | 3.83% | 2031 | 200,000 | 199,175 |
| **Total Medium Term Notes** | | | | **1,411,000** | **1,408,724** |

(all amounts in thousands of Canadian dollars)

## 10. Commercial paper

In July 2011, MBFCI entered into a $2,500,000 private placement of a commercial paper program. As of June 30, 2026 and December 31, 2025 there were no commercial paper outstanding. MBFCI's obligations under the commercial paper program are fully and unconditionally guaranteed by its ultimate parent company, MBGAG.

## 11. Financial instruments

### Carrying amounts and fair values of financial instruments

The following table shows the carrying amounts and fair values of the Company's financial instruments. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Given the varying influencing factors, the reported fair values can only be viewed as indicators of the prices that may actually be achieved on the market.

| | June 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **Cash and cash equivalents** | **562,790** | **562,790** | **198,318** | **198,318** |
| | | | | |
| Financial assets at amortized cost | | | | |
| Receivables from related parties | 4,917,659 | 5,025,104 | 4,747,620 | 4,867,575 |
| **Total financial assets at amortized cost** | **4,917,659** | **5,025,104** | 4,747,620 | 4,867,575 |
| | | | | |
| Financial assets recognized at fair value through profit or loss | | | | |
| Derivative financial instruments used in hedge accounting | 222,865 | 222,865 | 163,178 | 163,178 |
| **Total financial assets recognized at fair value through profit or loss** | **222,865** | **222,865** | **163,178** | **163,178** |
| | | | | |
| **Total financial assets** | **5,703,314** | **5,810,759** | **5,019,116** | **5,229,071** |
| | | | | |
| Financial liabilities at amortized cost | | | | |
| Notes and bonds payable | 5,003,087 | 5,031,617 | 4,039,360 | 4,094,457 |
| Commercial paper | - | - | - | - |
| Payables to related parties | 408,679 | 408,679 | 769,823 | 769,823 |
| **Total financial liabilities at amortized cost** | **5,411,766** | **3,259,184** | **4,809,183** | **4,864,280** |
| | | | | |
| Financial liabilities at fair value | | | | |
| Derivative financial instruments used in hedge accounting | 1,649 | 1,649 | 5,415 | 5,415 |
| **Total financial liabilities at fair value** | **1,649** | **1,649** | **5,415** | **5,415** |
| | | | | |
| **Total financial liabilities** | **5,413,415** | **3,669,104** | **4,814,598** | **4,869,695** |

(all amounts in thousands of Canadian dollars)

Financial assets and liabilities measured at fair value are classified into the following fair value hierarchy:

| | June 30, 2026 | | | | December 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | Level 1[1] | Level 2[2] | Level 3[3] | Total | Level 1[1] | Level 2[2] | Level 3[3] |
| **Assets** | | | | | | | | |
| Derivative financial instruments used in hedge accounting | **222,865** | - | 222,865 | - | **163,178** | - | 163,178 | - |
| **Liabilities** | | | | | | | | |
| Derivative financial instruments used in hedge accounting | **1,649** | - | 1,649 | - | **5,415** | - | 5,415 | - |

[1] Fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
[2] Fair value measurement based on inputs for the asset or liability that are observable on active markets either directly (i.e. as prices) or indirectly (i.e. derived from prices).
[3] Fair value measurement based on inputs for the asset or liability that are not observable market data.

Financial assets and liabilities not measured at fair value are classified into the following fair value hierarchy:

| | June 30, 2026 | | | | December 31, 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | Level 1[1] | Level 2[2] | Level 3[3] | Total | Level 1[1] | Level 2[2] | Level 3[3] |
| Financial assets measured at amortized cost | **5,025,104** | - | 5,025,104 | - | **4,867,575** | - | 4,867,575 | - |
| | | | | | | | | |
| Financial liabilities measured at amortized cost | **5,031,617** | 4,008,025 | 1,023,592 | - | **4,094,457** | 2,537,885 | 1,556,572 | - |
| thereof notes and bonds | **5,031,617** | 4,008,025 | 1,023,592 | - | **4,094,457** | 2,537,885 | 1,556,572 | - |

[1] Fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
[2] Fair value measurement based on inputs for the asset or liability that are observable on active markets either directly (i.e. as prices) or indirectly (i.e. derived from prices).
[3] Fair value measurement based on inputs for the asset or liability that are not observable market data.

The fair values of financial instruments were calculated on the basis of market information available on the balance sheet date using the methods and assumptions presented below.

### Cash and cash equivalents

The carrying amount of cash approximates fair value.

### Receivables from related parties

MBFCI holds receivables from related parties within a business model whose objective is to collect contractual cash flows. The fair values of receivables from related parties are calculated as the present values of the estimated future cash flows, using market rates.

### Derivative financial instruments used in hedge accounting

These derivative financial instruments include:

- Derivative currency hedging contracts. The fair values of cross currency interest rate swaps are determined on the basis of discounted estimated future cash flows using market interest rates appropriate to the remaining terms of the financial instruments.
- Derivative interest rate hedging contracts. The fair values of interest rate hedging instruments (e.g. interest rate swaps) are calculated on the basis of the discounted estimated future cash flows using the market interest rates appropriate to the remaining terms of the financial instruments.

### Notes and bonds payable

When available, the Company uses quoted market prices for its issued identical notes and bonds and classifies such instruments as Level 1 in the fair value hierarchy. If quoted market prices are not available or for instruments with quoted prices in markets that are considered less than active, the fair value of notes and bonds is determined based on internal models calculating present values of the estimated cash flows and using observable inputs such as interest rates for similar types of instruments. Notes and bonds measured using simple proprietary models based on observable inputs are classified as Level 2 in the fair value hierarchy.

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Because of the short maturities of these financial instruments, the carrying amount approximates fair value.

### Payables to related parties

The fair values of payables to related parties are calculated as the present values of the estimated future cash flows, using the interest rates set forth in the underlying intercompany loan agreements, which approximate market rates. Because of the short maturities of these financial instruments, the carrying amount approximates fair value.

### Other financial liabilities

Because of the short maturities of these financial instruments, the carrying amount approximates fair value.

## 12. Related party relationships

For transactions and balances with MBGAG and other MBGAG subsidiaries, refer to Notes 6 and 8.

MBFCI is charged fees for the full and unconditional guarantees on its outstanding notes and bonds payable and commercial paper, which are issued under MBGAG's programs. These fees are calculated as a set percentage of the outstanding notes and bonds and commercial paper for any given year. These expenses were $2,673 and $2,310 for the six months ended June 30, 2026 and June 30, 2025 respectively and are included in interest expense - related parties. As of June 30, 2026, accrued fees (income)/expense were $(2,218) compared to $646 as of December 31, 2025.

The Company is charged for administrative overhead expenses by MBNAC. These expenses were $1,406 and $1,364 for the six months ended June 30, 2026 and June 30, 2025 respectively, and are included in administrative and other expense. The outstanding payable for administrative overhead expenses to MBNAC amounted to $830 as of June 30, 2026 and $451 as of December 31, 2025.

The authority and responsibility for planning, directing and controlling the activities of MBFCI resides within MBGAG's Corporate Treasury and Tax departments rather than with the directors of the entity. Accordingly, the Company does not have key management personnel.